



Meeting of the BBC Board

MINUTES

13 February 2020
Broadcasting House, London, W1A 1AA

ITEMS OF BUSINESS

1. Board and Committee Evaluation Review
2. Apologies and Conflicts of Interest
3. Minutes from the 12 December Meeting
4. Executive Reports
5. 2020/21 Annual Plan and Budget
6. Licence Fee Policy
7. Radio Strategy
8. Commercial Issues
9. Committee Reports
10. AOB

ATTENDANCE

Present

- David Clementi Chairman
- Tony Hall Director-General
- Tim Davie Chief Executive Officer, BBC Studios
- Tanni Grey-Thompson Non-executive director
- Ian Hargreaves Non-executive director
- Tom Ilube Non-executive director
- Ken MacQuarrie Director, Nations and Regions
- Steve Morrison Non-executive director (items 1-6)
- Nicholas Serota Non-executive director
- Elan Closs Stephens Non-executive director
- Ashley Steel Non-executive director
- Fran Unsworth Director, News and Current Affairs

Apologies:

- Shirley Garrod Non-executive director

With

- Phil Harrold Company Secretary
- Jo Clarke Secretary to the Board
- Christopher Saul Christopher Saul Associates (item 1)
- Bob Shennan BBC Managing Director (items 3-7)
- Glyn Isherwood Chief Financial Officer
- David Jordan Director, Editorial Policy and Standards (items 2-4)
- Charlotte Moore Director, Content (2-5)
- James Purnell Director, Radio & Education (items 2-7)
- Gautam Rangarajan Director, Strategy (items 2-7)
- Clare Sumner Director, Policy (items 6 and 7)
- Kerris Bright Chief Customer Officer (items 5 and 6)
- Matthew Postgate Chief Technology and Product Officer (item 7)

1. Board and Committee Evaluation Review

- 1.1 The Board and Committee Evaluation Review for 2019 had been undertaken by an external evaluator, Christopher Saul.
- 1.2 The Review had included questionnaire surveys with Board members, interviews with Board members, members of Executive Committee, and external stakeholders including Ofcom and the National Audit Office. Christopher Saul had also attended a Board meeting and a number of committee meetings. Minutes and paperwork from the Board and committee meetings were also reviewed.
- 1.3 The surveys used an established set of questions to assess the design and operating effectiveness of the Board and its committees. The surveys obtained members' views on five specific areas: composition and behaviours, agendas and papers, Board meetings, communication and reporting, and business understanding.
- 1.4 The Board discussed the findings and recommendations from the review, which were predominantly positive. An action plan addressing the recommendations arising from the review would be produced by the Secretariat.

2. Apologies and Conflicts of Interest

- 2.1 Shirley Garrood was an apology for this meeting.

3. Minutes from the 12 December Board Meeting

- 3.1 The minutes from the 12 December were approved.
- 3.2 The Board noted the Matters Arising.

4. Executive Reports

- 4.1 The Director-General provided status updates on a number of critical projects. The closure of the Red Button text service had been suspended while the BBC engaged with a range of stakeholders in order to better understand concerns about the proposed closure before a fresh decision was made. The Board noted that the Government's review of the decriminalisation of the licence fee had begun and the BBC's submission to the consultation would come to the Board in March.

- 4.2 The Director-General noted the reaction, internally and externally, to the announcement of the plans for a new operating model in News; the details were being discussed with affected staff.
- 4.3 The Board discussed the performance of the BBC's Christmas programming with audiences. BBC One showed 18 of the top 20 broadcast TV programmes over the Christmas period. *Gavin & Stacey* had an exceptional audience of 17.1m on the TV set within seven days; making it the biggest scripted programme of the decade. *Strictly Come Dancing*, *EastEnders* and *The Queen's Christmas Message* all grew year-on-year. This was a particularly strong performance given broadcast TV overall was down.
- 4.4 There had been a step change in the performance of iPlayer over the festive period. During Christmas week iPlayer set new records, only to be immediately broken as the first week of 2020 became iPlayer's best week ever; with 45.6m hours viewed, 23.7m unique browsers, and 119m requests for programmes.
- 4.6 The Director, Content, provided an update on performance. Continuing dramas including *Death in Paradise* and *Silent Witness* had returned with big audiences and strong iPlayer numbers. The new season of *Top Gear* had launched strongly and would be moved to BBC One. *EastEnders* was increasing its audience among the young this season.
- 4.7 The Director, News and Current Affairs provided an update on performance. 87% of UK adults consumed BBC coverage of the UK General Election results, showing the key role that the BBC continues to play in the lives of UK audiences, across all demographics and geographic areas. The audience had appreciated election coverage which was more locally and regionally based: nearly eight-in-ten respondents liked that BBC News had focused on areas away from London and the South East, and six-in-ten wanting to see more local and regional coverage.
- 4.8 The Director, Nations and Regions, provided an update on audiences and activities. The thirteen regional news programmes in England delivered more than 70 outside broadcasts during the UK General Election campaign, reflecting our strategy for regional TV to report from, rather than just about, local communities. *Gavin & Stacey* proved a resounding success in Wales as nearly 1.3 million people tuned in to watch the Christmas special on TV – making it the most-watched programme in Wales since 2002.
- 4.9 The Chief Executive Officer, BBC Studios provided an update on performance. It had been a strong Christmas period with more than half of the top 10 programmes on Christmas Day coming from BBC Studios' portfolio of producers. There were also strong performances from BBC Studios programmes: *EastEnders* (6.8m), *Mrs Brown's Boys* (6.5m), the *Queen's Christmas Broadcast* (7.2m), and *Kylie's Secret Night* (0.9m) on Channel 4. The format for *This Country* had recently been sold to the US.

- 4.10 The Board noted the Editorial Standards Report. The expected high number of complaints received during the General Election campaign had resulted in some delays to responses; Ofcom had been alerted that the KPI targets would be missed during this period.
- 4.11 The Board considered the Operational Performance Report, which included updates on finance and the BBC's critical projects; including the development of Northern Ireland Broadcasting House. The Board also discussed progress on the settlement with Samira Ahmed following the Tribunal decision and was provided with an update on the EHRC review.

General Election Coverage: Audience Insights

- 4.12 The Board noted a pack of audience data on the BBC's coverage of the General Election. The BBC was the most used, and considered the best, provider of 2019 General Election coverage. 87% of the population came to the BBC's results coverage across all platforms, including 23.2m who watched BBC results coverage on television.

Changes to the Complaints Framework: Approval for Consultation

- 4.13 A number of changes to the BBC's Complaints Framework were required to meet the recommendations for change arising from the work done by Chris Banatvala on the handling of the *BBC Breakfast* complaint and proposals made by Ofcom. These proposed changes required a public consultation.
- 4.14 The Board approved the changes to the Complaints Framework and the launch of a public consultation.

5 2020-21 Annual Plan and Budget

Licence Fee Collection Strategy

- 5.1 The Charter requires the Board to ensure "that arrangements for the collection of the licence fee are efficient, appropriate and proportionate". This paper is submitted together with the Budget every year as part of the oversight arrangements through which the Board meets this obligation.
- 5.2 The Board discussed the strategy, which alongside planned improvements to the current operational approach, also aimed to develop customer contact and communications to help people understand the value they get from the licence fee. Directors discussed the estimated sales projection underlying the strategy. The team confirmed that a prudent approach had been applied to projected sales given the need to monitor the impact of the over-75s licence fee policy.

- 5.3 The Licence Fee Collection strategy would return for approval at the March meeting of the Board.

2020-21 Budget

- 5.4 This paper presented the Board with the draft 2020/21 Budget, which had been prepared in the context of the BBC's projected financial plans for the next three years. The 2020/21 Budget had been developed in parallel with the Annual Plan.
- 5.5 The Board noted that this was a draft Budget as there were areas still to finalise, particularly around projected savings and new areas of investment. It was noted that 2020 included a number of high-profile sporting events, which resulted in significant investment in sport content throughout the year. Directors agreed that 2020-21 would be a challenging financial period for the BBC due to the transition in the policy and funding for licences for those over the age of 75. It was noted that new investment would be dependent on the delivery of savings.
- 5.6 The Board agreed that further work should be done to optimise the investment in content in 2020-21; particularly with regard to younger audiences.

2020-21 Annual Plan

- 5.7 The Board considered an initial draft of the BBC's Annual Plan for 2020-21. Directors made a number of drafting proposals for the final draft of the Plan, which would return for approval at the March meeting.

6. Licence Fee

Licence Fee Unit: Critical Projects Update

- 5.1 The Board noted an update on the status of the projects connected to the implementation of the over-75s licence fee concession policy.

Over-75s Licence Fee Policy Update

- 5.2 The Board considered a paper which asked for approval to amend the timetable for the consultation on the over-75s licence fee policy in the Crown Dependencies and to issue a determination relating to the application of the over-75s licence fee policy to residential care homes.
- 5.3 The Board discussed the proposal to amend the consultation timetable in the Crown Dependencies. The Board agreed in September 2019 to consult in the Crown

Dependencies, with a view to making a decision and starting any new concession in those locations from 1 June 2020, alongside the new scheme in the UK. This plan was dependent on Section 89 of the Digital Economy Act being extended to the Crown Dependencies to give the BBC the same power to set a concession, as it has in the UK. This has been done by way of Order made by the Privy Council. However, the power has not been extended to any of the Crown Dependencies as yet. This has in part been due to the political uncertainty and the timing of the UK General Election.

- 5.4 The Board approved the revised timetable for the consultation on the over-75s licence fee policy in the Crown Dependencies.
- 5.5 The Board approved the proposal to issue a determination which would provide concessionary licences for a small sub-section of people in qualifying care homes to ensure parity of treatment.

Decriminalisation Review

- 5.6 The Board noted an update on the upcoming Government review on decriminalising non-payment of the licence fee.

6 Radio Strategy

[Paragraphs 6.1 and 6.2 redacted for future publication]

7 Commercial Issues

Finance Approval

Paragraphs 7.1-7.3 redacted for commercial confidentiality

Finance Approval

Paragraphs 7.4-7.5 redacted for commercial confidentiality

Delegated Approval Framework: Commercial Deals

- 7.6 The Board approved a new delegated approval framework for the approval of commercial sales deals.

8. Committee Reports

- 9.1 The Chair of the Board's Wales Committee reported on its most recent meeting. The meeting had been held in the new BBC Wales headquarters in Central Square, Cardiff. The building had been completed within budget and on time. Items for discussion had included the Audiences Report.
- 9.2 The Chairman reported on the most recent meeting of the Scotland Committee. Items for discussion had included the performance of the Scotland Channel and the growth on iPlayer of Scottish originated programming.
- 9.3 The Chair of the England Committee reported on its most recent meeting, which had taken place in Canary Wharf and had included an insightful audience session with the apprentices and BAME employees. Further discussion had taken place on the development of the strategy for local and regional England services, which would come to the March meeting of the Board.
- 9.4 The Chair of the Commercial Holdings Board reported on its most recent meeting, which had focussed on the 2020-21 budgets for the commercial subsidiaries. The Commercial Holdings Board had also attended BBC Studios Showcase, the international sales event for BBC Studios content.
- 9.5 The Chair of the Fair Trading Committee reported on its most recent meeting. Items for discussion had included the plan for the internal audit of the BBC's fair trading arrangements and the Global News Ltd service agreements.

Reappointments to the Board

- 9.6 The Board approved the reappointment of Tom Ilube and Ian Hargreaves to serve on the BBC Board as non-executive directors for a period of three years, completing on 2 April 2023.

10 AOB

- 10.1 There was no other business.